



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
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Date: July 12, 2013

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CI Release #: LAFO-2013-01

Texas Man Indicted in Multi-Million Dollar Identity Theft and Tax Refund Fraud Scheme

Over 300 Identity Theft Victims have been Identified and Linked to the Investigation

LOS ANGELES – A man from the Houston area of Texas who was arrested late last month at an airport while attempting to flee the country was indicted today in the Central District of California in a multi-million dollar identity theft and tax refund fraud scheme.

Fidelis Negbenebor, of Sugar Land, Texas, has been charged in a nine count indictment returned by a federal grand jury charging him with three counts each of theft of government property, fraud in connection with identification documents, and aggravated identity theft.

According to the Indictment and complaint in this matter--using stolen identities, internet anonymizing services and computer connections originating from multiple computers located in Africa and the United States--fraudulent tax returns were electronically filed with the Internal Revenue Service allegedly seeking refund checks to which the defendant was not entitled. The proceeds, once deposited into fraudulently opened bank accounts, were allegedly transferred to other banks located in the United States and locations abroad including Ghana and Nigeria.

The affidavit filed in support of the criminal complaint states that over 300 potentially fraudulent tax returns have been identified as being connected to the scheme. The total loss to the government is approximately \$3,478,182. One refund check allegedly generated as part of the scheme was in the amount of \$1,003,957 and mailed to a University of California, Los Angeles student housing address.

The investigation led to the execution of a search warrant at Negbenebor's Sugarland, Texas residence in late June. Items recovered from the home included several false identification documents and dozens of social security numbers belonging to individuals other than Negbenebor.

The day following the execution of the search warrant, Negbenebor traveled from Texas to Newark, New Jersey and had made arrangements through an online internet service to travel from New Jersey to Canada in an apparent attempt to flee from the United States. Negbenebor was arrested on Sunday, June 30, 2013, at the Newark, New Jersey airport pursuant to the criminal complaint filed in the Central District of California. He has been detained pending trial in New Jersey and will be transported by the U.S. Marshals to the Central District to answer to the charges in the indictment.

Internet anonymizing services are used by people attempting to cloak their true Internet Protocol address (IP address). The service makes the customers' internet browsing experience anonymous by masking or hiding the customers' true IP address and replacing it with the IP address of the service.

Negbenebor will have a post-indictment arraignment when he is transported to the Central District of California from the District of New Jersey, where he is currently detained. If convicted of the charges in the Indictment, Negbenebor faces a statutory maximum sentence of at least 75 years in federal prison. In addition, the charge of aggravated identity theft carries a mandatory two-year prison term that must run consecutively to the predicate offenses.

A criminal complaint and Indictment contain allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty in court.

The investigation into Negbenebor is being conducted by the IRS Criminal Investigation in Los Angeles.

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